

Spinning the circle: unravelling the “why?” behind social motivations in circular economy entrepreneurship

Juan D. Borrero

Department of Management and Marketing, University of Huelva, Huelva, Spain, and

Shumaila Yousafzai

Department of Business, Nazarbayev University, Astana, Kazakhstan

Journal of
Enterprising
Communities:
People and Places
in the Global
Economy

Received 8 January 2024
Revised 6 August 2024
5 November 2024
29 January 2025
Accepted 18 February 2025

Abstract

Purpose – This study aims to investigate how circular entrepreneurs integrate social objectives within the circular economy (CE), with a particular focus on the often-overlooked social aspects of CE sustainability. It explores the motivations behind circular entrepreneurs’ pursuit of social goals and the specific strategies they use.

Design/methodology/approach – Drawing on perspectives from the social and solidarity economy and the ethics of care, this multiple-case study examines the drivers that lead entrepreneurs to adopt socially focused circular business models. This study introduces a framework for understanding these motivations and presents the concept of circular necessity entrepreneurship.

Findings – The analysis reveals a strong reliance on circular strategies, particularly beneficial for resource-constrained smaller enterprises. It identifies diverse social motivations among entrepreneurs: while some are driven by aspirations for systemic change and justice – leading to solidarity-driven and care-centric approaches – others emphasize community betterment through job creation, gender equality advocacy and work–life balance.

Research limitations/implications – This study focuses on a specific geographic area, necessitating further research to enhance generalizability.

Practical implications – The proposed model reinforces ethical values in organizations, leading to stronger business performance and creating new business opportunities within society.

Originality/value – By advancing the social dimension alongside environmental and economic pillars in CE discourse, this research offers new insights into circular entrepreneurs’ motivations and strategies, providing pathways to amplify social objectives within the CE framework.

Keywords Circular economy strategy, Social motivations, Sustainability, Circular entrepreneurship, Spain

Paper type Research paper

© Juan D. Borrero and Shumaila Yousafzai. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) licence. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this licence may be seen at <http://creativecommons.org/licences/by/4.0/legalcode>

The authors thank the companies for their role as key partners in the production of primary data for this paper. Special thanks to the interviewed.

Funding: This research is supported by a grant from Nazarbayev University (Grant number: 111024CRP2001).



Introduction

In the latter part of the 20th century, the importance of ecological well-being, social fairness and economic prosperity was globally recognized. This realization was cemented by the Brundtland Commission's landmark report, "Our Common Future" (WCED, 1987), which outlined the necessity of these three components for comprehensive growth. However, the years that followed were dominated by policy initiatives that inadvertently encouraged unsustainable consumption and thereby contributed to environmental deterioration (Jackson, 2009; Rockström *et al.*, 2009). While corporate social responsibility (CSR) gained prominence as a yardstick for ethical business behaviour, it was often sidetracked by a focus on profit maximization (Davidson, 2009; Halkos and Nomikos, 2021).

In response to the unsustainable "take, make, use, dispose" model, the circular economy (CE) proposes a resource-efficient alternative focused not only on environmental gains but also on social equity and community well-being.

Grounded in the environmental pillar of the triple bottom line (TBL) model of sustainability (Elkington, 2018), the CE represents a potentially transformative paradigm for sustainable economic frameworks. Though CE is not an entirely new idea, its relevance has surged in recent years, endorsed by a broad spectrum of stakeholders including governments and international agencies (European Commission, 2015). Pegged with the potential to unlock economic windfalls of up to \$4.5tn (WEF, 2020), CE's overarching premise is the maximization of resource utility while curtailing waste. It introduces innovative business models designed to address critical environmental challenges, such as resource depletion and climate change (Geissdoerfer *et al.*, 2017). Jousen *et al.* (2024) and Gonçalves *et al.* (2024) emphasize that integrating circular principles into business strategies strengthens stakeholder collaboration and drives sustainable innovation. Incorporating environmental, social and governance principles within circular business models (CBMs) provides a structured approach to achieving sustainable development (Wamane, 2023). In addition, CE strategies enhance financial performance through CBMs (MacArthur, 2013). Bartolacci *et al.* (2020) further highlight the connection between sustainability initiatives and SME financial success, demonstrating that sustainable business models foster both economic viability and environmental benefits. Pizzi *et al.* (2021) further support this argument by illustrating how adopting circular strategies yields financial and ecological advantages, particularly for small and medium-sized enterprises (SMEs).

While the environmental and economic benefits of CE have been extensively discussed (Rydberg *et al.*, 2022), the social dimension often remains underexplored (Corona *et al.*, 2019; Luthin *et al.*, 2022; Mies and Gold, 2021; Padilla-Rivera *et al.*, 2020). Although Ferreira *et al.* (2022) advocate for a balanced approach that considers economic, environmental and social impacts within entrepreneurial ventures, the potential of CE to champion social sustainability by generating employment, diminishing vulnerabilities and bolstering community well-being is not yet fully recognized (Jabbour *et al.*, 2019; Jaeger-Erben *et al.*, 2021), highlighting a significant area for further exploration and integration. For a truly sustainable and comprehensive CE, all three pillars – social, environmental and economic – need consideration. This study argues that CE's mandate should extend beyond resource conservation to include social equity and inclusion (Missimer *et al.*, 2017; Moreau *et al.*, 2017; Murphy, 2012; Murray *et al.*, 2017; Skeja *et al.*, 2023), ensuring a holistic approach to sustainability.

Given this backdrop, this research explores two interrelated questions:

Q1. How are circular business strategies interwoven with social motivations?

Q2. In what ways do circular entrepreneurs integrate social motivations into their business practices?

Journal of
Enterprising
Communities:
People and Places
in the Global
Economy

This study seeks to understand how small circular business entrepreneurs navigate and integrate environmental, economic and social dimensions within their business models. Guided by the ethics of care and social and solidarity economy theories, this study examines how CE can contribute not only to environmental but also social well-being by fostering inclusivity and care for communities, workers and future generations (Pla-Julián and Guevara, 2019). Using semi-structured interviews with eight circular entrepreneurs from Huelva, Spain, this study contributes to the literature by examining the often-overlooked social dimensions. It uncovers what motivates entrepreneurs to make socially responsible decisions and how these motivations align with or diverge from traditional business goals. The outcomes of this research serve multiple stakeholders. Gaining insight into the motivations behind participating in the CE not only informs entrepreneurs but also offers valuable perspectives to consumers, communities and environmental agencies, thereby reinforcing the ethical role of businesses in society. This study introduces a framework to explain the social motivations within CE, proposes the concept of “circular necessity entrepreneurship”, and highlights a critical gap in the literature on integrating social dimensions into CBMs. This establishes a crucial starting point for our exploration, setting the stage for further examination and implementation of social business practices aligned with the principles of a CE.

Literature review

Circular economy and its societal context

The existing research on CE predominantly focuses on environmental and economic dimensions, inadvertently overlooking the social aspects (CIRAIG, 2015; Corona *et al.*, 2019; Ghisellini *et al.*, 2016; Mies and Gold, 2021). This oversight is disconcerting, especially given the centrality of the social dimension in CE paradigms. The interdependence and collaboration intrinsic to CE transcend traditional supply chains or network relationships, thereby amplifying the salience of its social dimension (Korhonen *et al.*, 2018; Lüdeke-Freund *et al.*, 2019). Based on the definitions most commonly cited in the literature (Figge *et al.*, 2023; Kirchherr *et al.*, 2023), as presented in Table 1, the concept of CE is largely focused on resource optimization and reduction of waste, as well as promoting restorative and regenerative practices. These definitions highlight various approaches, such as repair, reuse, refurbishment, remanufacturing and recycling, to slow, close and narrow material and energy loops. However, the mainstream definitions largely omit the social aspects, focusing primarily on the environment and economy. The definition by Kirchherr *et al.* (2017) is one of the few that explicitly incorporates the aim of achieving sustainable development through creating environmental quality, economic prosperity and social equity for current and future generations. This lack of emphasis on the social aspects of CE in the majority of the definitions underscores the need for a more comprehensive and holistic approach that integrates social considerations into the CE framework.

Emerging studies further highlight the deficiency in addressing the social elements of CE. Topics like shared economies, democratic involvement, employment opportunities and human development indicators are underexplored in existing CE research (Korhonen *et al.*, 2018; Schröder *et al.*, 2020). Moreover, the broader imperatives of societal equality, spanning inter-generational equity, gender and racial parity, and financial inclusivity, demand rigorous attention (Geissdoerfer *et al.*, 2017). Coupled with these is the ethical imperative,

Table 1. Frequently used definitions of CE

Author (year)	Definition
European Environment Agency (EEA, 2016, p. 9)	“The concept can, in principle, be applied to all kinds of natural resources, including biotic and abiotic materials, water and land. Eco-design, repair, reuse, refurbishment, remanufacture, product sharing, waste prevention and waste recycling are all important in a circular economy”
Stahel (2016) Geissdoerfer <i>et al.</i> (2017, p. 759)	“to maximise value at each point in a product’s life” “as a regenerative system <i>in</i> which resource input and waste, emission, and energy leakage are minimised by slowing, closing, and narrowing material and energy loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling”
Kirchherr <i>et al.</i> (2017, pp. 224–225)	“[...] an economic system that is based on business models which replace the ‘end-of-life’ concept with reducing, alternatively reusing, recycling and recovering materials in production/ distribution and consumption processes, thus operating at the micro level (products, companies, customers), meso level (eco-industrial parks) and macro level (city, region, nation and beyond), with the aim to accomplish sustainable development, which implies creating environmental quality, economic prosperity and social equity, to the benefit of current and future generations”
Murray <i>et al.</i> (2017, p. 369)	“an economic model wherein planning, resourcing, procurement, production and reprocessing are designed and managed, as both process and output, to maximise ecosystem functioning and human well-being”

Source(s): Created by authors

necessitating a focus on labour rights, human rights and community welfare within the CE framework (Murray *et al.*, 2017).

The integration of technology offers significant opportunities for fostering a more transparent and trust-based society within the framework of sustainability. Pooja *et al.* (2024) propose that blockchain technology has the transformative potential to enhance traceability, accountability and equity in circular supply chains, effectively bridging critical gaps in CE implementation. Pierrakis *et al.* (2024) further argue that income diversification strategies in cleantech incubators help address funding challenges while advancing circular initiatives on a global scale. Bischoff *et al.* (2024) emphasize the importance of heterogeneous stakeholder collaborations, illustrating how partnerships within sustainable entrepreneurial ecosystems influence SME performance and strategic development.

The challenges and opportunities faced by emerging economies present fertile ground for social innovation, particularly within the framework of CE. Kryeziu *et al.* (2024) highlight the role of institutional frameworks in shaping entrepreneurial behaviour, particularly in transition economies where regulatory environments and policy support significantly impact sustainable business initiatives. David and Terstriepe (2024) underscore the resilience of entrepreneurs operating in constrained ecosystems, a characteristic often found in emerging economies. Their insights into bricolage strategies and leveraging social networks align strongly with CE entrepreneurship, where resource scarcity and systemic constraints necessitate innovative and adaptive approaches. By identifying and addressing local needs, socially motivated circular entrepreneurs can drive economic dynamism while advancing sustainability goals.

Skeja *et al.* (2023) explore the interplay between altruism and entrepreneurial behaviour in socially constrained environments. Their examination of demographic influences on altruistic actions provides a lens for understanding how social innovation can be shaped by values of care and inclusivity. This perspective enhances the current study's focus on the ethical dimensions of circular entrepreneurship in resource-limited settings. Ntamu *et al.* (2023) emphasize the critical role of collective action in social entrepreneurial ventures, particularly in tackling pressing societal challenges in emerging economies. Their findings on shared meaning and group efficacy highlight the potential of CE entrepreneurs to drive systemic change by mobilizing communities around shared sustainability objectives. This aligns with the CE's emphasis on collaboration and resource-sharing as key mechanisms for achieving both environmental and social outcomes.

Noorbakhsh and Teixeira (2024) examine the phenomenon of necessity-driven entrepreneurship in the context of refugee inflows, highlighting the transformative potential of marginalized groups in emerging economies. Their findings demonstrate how necessity entrepreneurship fosters the creation of low-value yet socially significant ventures, providing a foundation for understanding the concept of circular necessity entrepreneurship. This study extends this idea by demonstrating how resource constraints can serve as a catalyst for innovative, sustainable business models.

Finally, Aljarodi *et al.* (2024) explore the interplay between institutional, organizational and individual factors influencing female entrepreneurship in Saudi Arabia. Their framework, which adopts an ecosystem-wide perspective, parallels the multi-level analysis used in this study. This perspective aligns with the micro- and meso-level factors identified by Gonella *et al.* (2024), offering a comprehensive view of the social motivations driving CE adoption. By addressing interactions across micro, meso and macro levels, this research provides a nuanced understanding of how circular entrepreneurs navigate systemic challenges while advancing both social and environmental objectives.

Having recognized the critical role of the social dimension within the CE and the existing gaps in its thorough integration, it becomes pertinent to explore how CE can be holistically aligned with larger socio-ethical paradigms. Such integration ensures not only an ecologically sustainable future but also one that is socially equitable, inclusive and ethically robust. This deficiency underscores the need for a CE framework that is not only environmentally sound but also socially fair, inclusive and ethically responsible.

Integrating circular economy with socio-ethical approaches

The shift from a linear to a circular model entails more than just environmental or financial considerations; it inherently possesses a broader ethical and social character, demanding a multi-dimensional perspective on sustainable development (Blomsma and Brennan, 2017; Geissdoerfer *et al.*, 2017; Kirchherr *et al.*, 2017; Murray *et al.*, 2017; Schröder *et al.*, 2020). One avenue to incorporate social concerns in CE is through alignment with the United Nations' Sustainable Development Goals (SDGs) (Borrello *et al.*, 2020). Moreover, adopting stakeholder theory adds more social depth to the CE model (Freeman, 2010; Laczniak and Murphy, 2012), contributing not just to environmental goals like SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action), but also addressing crucial social objectives such as SDG 1 (No Poverty), SDG 2 (Zero Hunger) and SDG 8 (Decent Work and Economic Growth) (Dong *et al.*, 2021; Schroeder *et al.*, 2018).

Another effective approach is harmonizing CE with the Social and Solidarity Economy (SSE) (ILO, 2022; RIPESS, 2015), an economic framework that emphasizes social and environmental benefits over mere financial profits (Malagón-Vélez, 2021; Moreau *et al.*, 2017; Villalba-Eguiluz *et al.*, 2020). In addition to as a means to achieve the SDGs

(Lee, 2020), integrating the ethos of SSE, which promotes sustainable, ethically-driven business models, helps CE transition into a platform that not only supports circular practices but also nurtures marginalized voices and encourages inclusivity and sustainability (Hobson *et al.*, 2021; Lehtokunnas *et al.*, 2022; McLaren *et al.*, 2020).

Furthermore, the theory of ethics of care presents a lens through which CE can be seen as more than just resource optimization – it becomes an avenue for fostering care, responsibility and equitable outcomes, especially towards vulnerable or marginalized sections of society (Ho *et al.*, 2015; Pla-Julián and Guevara, 2019; Woodard, 2021). Hamington (2009)'s perspective on the ethical theories centres around interpersonal relationships, interdependence and attentiveness to the needs and concerns of others. Applied to the context of business within the CE, these ethical approaches emphasize adopting business practices that prioritize the well-being of all stakeholders, including employees, customers, communities and the environment. Thus, care ethics envisions a horizontal network of interdependence among all these issues. (Beacham, 2018). Contrary to purely profit-driven strategies, it places value on social responsibility, sustainability and the long-term consequences of business decisions.

To realize a truly transformative and sustainable CE, it is imperative to weave it in tandem with these socially-attuned paradigms, thereby achieving not just ecological and economic sustainability but also fostering a just, inclusive and caring society. Having established the intrinsic connection between CE and its social dimensions and explored theoretical perspectives for their integration, the next step is to delve into the practical realm of circular business models. This transition brings us to a pivotal aspect of the CE discourse: the operationalization of social dimensions through CBM strategies.

Circular business model strategies: operationalizing social dimensions

The advancement of CE extends beyond theoretical foundations to the practical application of its principles in business strategies. CBMs are essential in this process, offering firms actionable guidance on reorienting their operations towards resource efficiency, waste reduction and the establishment of closed-loop systems (Geissdoerfer *et al.*, 2020). While CE principles provide the basis for these business models (Heyes *et al.*, 2018; Pieroni *et al.*, 2019), the strategies elucidate firms' evolving approach to embodying circularity (Henry *et al.*, 2020), with models ranging from the 3Rs (reduce, reuse, recycle) to more extensive strategies (Blomsma and Brennan, 2017; European Commission, 2020).

In this context, sustainable business models such as B Corps (B Lab, 2024) and the Economy for the Common Good (ECG; Felber, 2019) enhance the concept of value creation by incorporating both ecological and social values (Freudenreich *et al.*, 2020). Reflecting stakeholder theory (Freeman, 2010; Freeman *et al.*, 2020), which posits that value emerges from mutual cooperation and relationships, the diverse needs and values of stakeholders collectively define value within the CE framework. This leads to a compelling case for integrating social outcomes into the value provided to stakeholders (Sebhatu and Enquist, 2022), making it a core component of circular business strategies. The exploration of these circular R-strategies constitutes the central focus of the first research question:

RQ1. How are circular business strategies interwoven with social motivations?

Circular entrepreneurial motivations and societal pursuits

Critiques of the scholarly discourse on entrepreneurship often point to its narrow focus, heavily emphasizing the economic dimension (Wiengarten *et al.*, 2017). However,

entrepreneurship is inherently multifaceted, intertwining emotions, motivations (Fors and Lennerfors, 2019) and the broader socioeconomic context (Wadhvani *et al.*, 2020). To fully understand entrepreneurship, a broader perspective is needed, recognizing its potential to combine economic advancement with societal betterment (Porter and Kramer, 2011).

Circular entrepreneurs often display motivations that extend beyond pure financial aspirations. Many are driven by societal goals, such as minimizing environmental degradation, which form the core of their entrepreneurial spirit (Henry *et al.*, 2023). CE, for these entrepreneurs, serves as a powerful tool to unlock new business prospects, stimulate economic growth and concurrently address pressing environmental and social challenges (Rovanto and Finne, 2023; Suchek *et al.*, 2022). The contemporary research landscape, we argue, does not adequately capture the rich tapestry of entrepreneurial motivations, especially when it comes to circular entrepreneurs. The prevalent literature dichotomizes entrepreneurs into necessity and opportunity categories, often oversimplifying the intricate motivations that spark entrepreneurial endeavours (Fairlie and Fossen, 2018). We join others in questioning the binary of “push” versus “pull” motivations (Amit and Muller, 1995; Dawson and Henley, 2012; Kirkwood, 2009; Noorbakhsh and Teixeira, 2024) and contest the entrenched dichotomy between “need” and “opportunity” within circular entrepreneurship.

While personality traits are accentuated as definitive entrepreneurial markers (Segal *et al.*, 2005), other equally important attributes include opportunity recognition (Eckhardt and Shane, 2003), innovative spirit (Douglas and Shepherd, 2002) and proactivity (Rauch and Frese, 2007). Furthermore, other personal motives align more with social entrepreneurial orientations coming from social entrepreneurship theory, such as prosocial tendencies (Miller *et al.*, 2012) and fervent entrepreneurial passion (Boone *et al.*, 2020; Gielnik *et al.*, 2015).

The role of context in shaping entrepreneurial social outcomes is also critical. Aparisi-Torrijo *et al.* (2023) emphasize that leadership factors such as vision, self-efficacy and networking vary in their influence across different stages of entrepreneurship, depending on the broader socio-economic environment.

Through this study, we also question the assumption that the pursuit of economic growth is the sole driving force behind entrepreneurship, suggesting that lifestyle considerations may underpin the journey of many circular entrepreneurs. This calls attention to an important gap: understanding the intricate motivations that fuel circular entrepreneurs, particularly when intertwined with societal aspirations. This inquiry forms the core of the second research question, aspiring to reveal the underlying motives driving circular entrepreneurs towards societal goals: *To what extent are circular entrepreneurs invested in the social facet?*

Method

Context

The study of entrepreneurship is commonly understood as a social phenomenon that can be analysed through the examination of both individual characteristics and relationships (Schatzki, 2005). This perspective forms the foundation of mainstream theories of entrepreneurship, including social identity theory and various other frameworks within social psychology. These theories generally emphasize factors such as behaviour, cognition, motivation, knowledge and individual traits. However, the context-specific nature of CBMs necessitates an approach that accounts for broader socio-historical factors (Kitching and Rouse, 2020).

Within the expansive landscape of the European Union, where SMEs constitute a staggering 99% of all firms (Filipe *et al.*, 2016), our study focuses on circular entrepreneurs in Spain, particularly those who integrate societal values into their business models. Despite

the prominence of SMEs in Spain, a large proportion remain unacquainted with the CE concept, and those who have embraced it primarily focus on environmental management (Cámara de Comercio de España, MAPFRE, 2021). Our starting point is the examination of Spanish SMEs certified with the B-Corp model, underscoring their commitment to sustainable business practices that align with socially embedded values.

Zooming in on the province of Huelva in southern Spain provides a compelling and situated context for this study. Huelva is marked by a long-term economic stagnation and high unemployment rates – 26.60%, significantly surpassing Spain’s average of 14.79% and the EU-27’s 7.05% (Institute of Statistics and Cartography of Andalusia, 2022; OECD, 2022). In such economically marginalized regions, small businesses often emerge not only as economic actors but also as pivotal contributors to community resilience. Therefore, we posit that European circular SMEs located in socio-economically challenged regions like Huelva may exhibit a heightened propensity to integrate social initiatives within their circular business strategies, aiming for community betterment, environmental conservation and broader social objectives.

This socio-economic backdrop of Huelva, which combines a rich history of agricultural and industrial activity with ongoing economic challenges, offers a unique opportunity to study the underlying motivations and strategies of circular entrepreneurs. Here, the historical context offers insight into how CE practices could address long-standing economic issues. The presence of SMEs certified with the B Corp model in Huelva further underscores the region’s potential for pioneering sustainable business practices that prioritize both environmental sustainability and social impact.

Moreover, considering Huelva’s strategic location near the Portuguese border and its proximity to key transport routes highlights its potential as an ideal case for exploring cross-border economic activities and regional collaborations. This geographic positioning potentially facilitates the exchange of best practices in a CE and enhances the scalability of successful business models. By examining circular entrepreneurs in Huelva, we aim to reveal broader implications of CE practices in similar socio-economic contexts across Europe.

Sampling and data collection

One of the primary motivations behind this study was the identified gap in the literature regarding the social motivations within CE participation, a gap that necessitated an exploratory, multiple-case study approach (Eisenhardt and Graebner, 2007; Yin, 2014). Studying the nuanced social dimensions of CE is well-suited to a multi-case design, which allows for a context-rich and detailed analysis, particularly when addressing emerging phenomena (Barratt *et al.*, 2011; Baxter and Jack, 2008). To enable comparisons across cases and identify recurring patterns, we selected a multiple-case approach over a single-case design, with the goal of generating insights that are grounded in specific contexts and can potentially inform broader discussions on CE motivations.

Case selection

To contribute novel insights rather than test pre-existing theories, we used a purposive sampling method, specifically selecting ventures that demonstrated substantive engagement with circular principles relevant to our research questions (Eisenhardt and Graebner, 2007). From the outset, we established clear criteria to define circular business models and to ensure consistency across cases. Ventures were included if they systematically integrated multiple R-strategies – such as reduce, reuse, repair, refurbish, regenerate and rethink – into their operations. This selection criterion was intended to ensure that each case reflected a genuine

commitment to circularity beyond minimal reduction practices, focusing instead on broader strategies that embody CE principles.

The cases chosen were well-established small enterprises across varied sectors within the Huelva region, each known for their commitment to CE practices and embodying the entrepreneurial values necessary for circular innovation. To construct a sample with diverse perspectives and robust data, we used chain-referral (or snowball) sampling to identify suitable participants. This process began with two initial cases from the Certified B Corps list (B Lab, 2024), a widely recognized standard for sustainable business practices. Through snowball sampling (Kirchherr and Charles, 2018), additional cases were then identified based on recommendations from current participants, each meeting our selection criteria.

Data sufficiency and theoretical saturation

With eight distinct cases, we achieved theoretical saturation and acquired meaningful insights for our qualitative research objectives. This sample size aligns with Eisenhardt's (1989) recommendation, which suggests that four to ten case studies are adequate for building new theories. In addition, Marshall *et al.* (2013, p. 19) note that the average number of cases in multiple case research designs is seven. In instances where initial interviews did not fully achieve data saturation, we conducted supplementary follow-up calls to enrich and clarify findings.

Data collection and ethical consideration

In-depth, semi-structured interviews lasting 60–90 min were initially conducted with business owners to explore their motivations for engaging with CE and their societal goals (see Supplementary material – Research protocol). These primary interviews offered a foundational perspective on each business's strategic motivations and CE practices. In several instances, owners directed us to additional employees for further insights on specific operational aspects, resulting in supplementary interviews. This multi-informant approach enriched the data for each case, adding valuable operational perspectives to the strategic insights shared by the owners. Moreover, owners granted access to internal documents and company records, which we reviewed to verify and expand upon the information provided during interviews, offering an additional layer of validation.

This iterative process allowed for continuous refinement of our questions and exploration of emerging themes in subsequent interviews. To support a comprehensive, multi-dimensional view of each case, we incorporated supplementary information from publicly available external sources such as company websites, media articles and publicly accessible social media profiles. This secondary data served to contextualize and triangulate findings rather than provide primary insights. Regarding communication via platforms like WhatsApp, these interactions were limited to follow-up clarifications with participants, who provided explicit consent for any use of shared information in the study. Overall, these varied data sources contributed to a nuanced understanding of each case, strengthening the depth and reliability of our analysis (Yin, 2014).

A rigorous ethical review process preceded the study, with the research protocol reviewed and approved by the first author's university ethics committee to ensure compliance with ethical standards. Participants were fully informed about the study's aims, confidentiality measures and their rights, including the option to withdraw from the study at any time without repercussions. Detailed information sheets and consent forms were provided in Spanish, outlining the research purpose, procedures and participants' rights.

To respect linguistic and cultural authenticity, interviews were conducted in Spanish, allowing participants to express their thoughts freely. Interviews were audio-recorded with

consent, transcribed in real-time and subsequently translated into English by an external bilingual translator to maintain accuracy and cultural relevance. Data was systematically collected across all cases to ensure consistency and reliability, with close attention to participant privacy and data integrity throughout. [Table 2](#) provides an overview of the participants and their relevant characteristics.

Data analysis

Our data analysis followed a structured, multi-step procedure as outlined by [Eisenhardt \(1989\)](#) and [Eisenhardt and Graebner \(2007\)](#), applying these principles across all eight cases to ensure consistency and depth. The procedure included transcription, coding, data tabulation and an iterative analysis and interpretation of results to capture nuanced insights into circular entrepreneurship.

Translation and initial coding. Each interview was conducted in Spanish, transcribed and then translated into English by an external bilingual translator to maintain accuracy and cultural relevance. Transcripts were coded line-by-line to capture statements directly related to our research questions, with each transcript reviewed independently by both authors to ensure reliability. In cases where clarification was needed, supplementary information was obtained through follow-up WhatsApp messages with explicit participant consent, adding depth to specific details shared during interviews. Internal company documents provided by the business owners further contributed to validating interview responses, offering an additional layer of insight into operational practices and strategies. Together, these data sources supported a rigorous and transparent coding process, enhancing the credibility and contextual richness of the findings. Any coding disagreements were resolved through discussion, ensuring consistent interpretation across cases without requiring an agreement percentage calculation.

Development of coding structure. The coding process began with the identification of first-order concepts. For instance, concepts such as minimizing resource use and waste were categorized under “reduce”. These first-order concepts were further refined into second-order themes, including operational efficiency, environmental conservation and cost savings. Other examples include categorizing “reuse”, “repair” and “refurbish” under themes related to resource optimization and sustainability practices. These second-order themes were then synthesized into aggregate dimensions reflecting broader patterns and relationships in the data. For example, themes of operational efficiency, environmental conservation and cost savings were aggregated under the dimension of “R-strategies in circular business models”. Similarly, motivations identified as economically-driven, identity-driven and circular necessity were grouped under the aggregate dimension of “motivational typologies”.

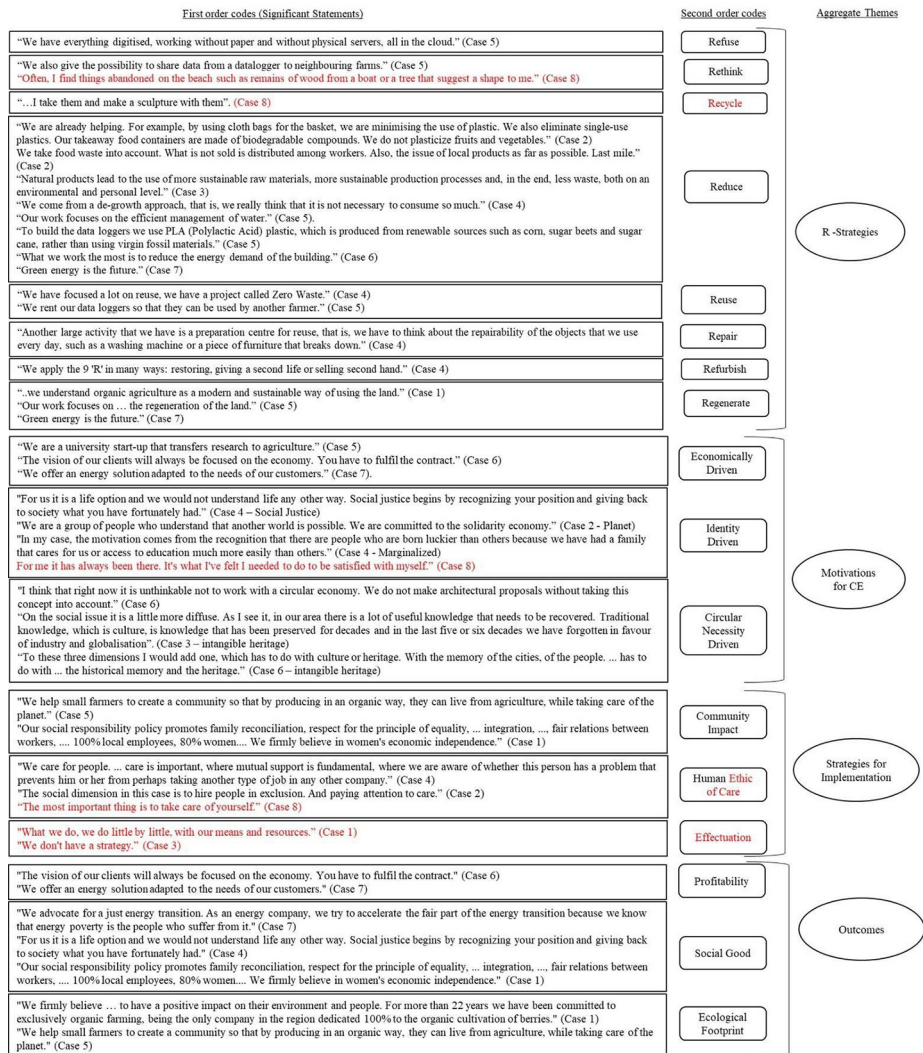
[Figures 1](#) and [2](#) present the coding structure and key themes, respectively. [Figure 1](#) provides a detailed coding table showing all the aggregate dimensions along with second-order themes, first-order concepts and significant statements.

To identify CBM strategies, we analysed each case in [Table 3](#) using the TBL and theoretical frameworks. This analysis used both high-level deductive categorization from the R-frameworks and lower-level inductive categorizations, as outlined by [Hsieh and Shannon \(2005\)](#). Information about circular business practices was carefully sifted through and manually coded. When examining motivations, the literature review provided insights into potential influential factors. However, we took care not to impose predefined conceptual frameworks on the data, allowing for the discovery of novel themes.

Table 2. Summary of the sample and participant's details

No.	Company name	Year established	Sector	Subsector	Interviewed position	Gender	Age	Education
1	Flor de Doñana	1999	Farming	Agriculture-Berries	Co-founder and director	Male	58	Diploma of Higher Education in Agriculture (DipHE)
2	Consumo Gusto	2012	Consumer goods	Food	Co-founder and president	Female	54	Social worker (bachelor's degree)
3a	Fango y Flores	2020	Consumer goods	Cosmetic and care	Co-founder	Female	55	Social worker (bachelor's degree)
3b	Fango y Flores	2020	Consumer goods	Cosmetic and care	Co-founder	Female	29	General certificate of education (GCE)
4	Traperos	2015	Consumer goods	Textile and garment and others	Co-founder and President	Female	56	Philosophy (university degree)
5	Bo True Activities	2017	Farming	Agriculture-AgTech	Founder and SCO	Male	53	Agricultural engineer (PhD)
6	LAR Arquitectura	2004	Construction	Architecture	Founder and CEO	Male	51	Architect (PhD)
7	Solar Wolf	2010	Construction	Energy	Founder and CEO	Male	48	Renewable energy technician (VET)
8	Kurandana	2018	Farming	Land art and holistic life	Founder	Female	62	None

Source(s): Created by authors

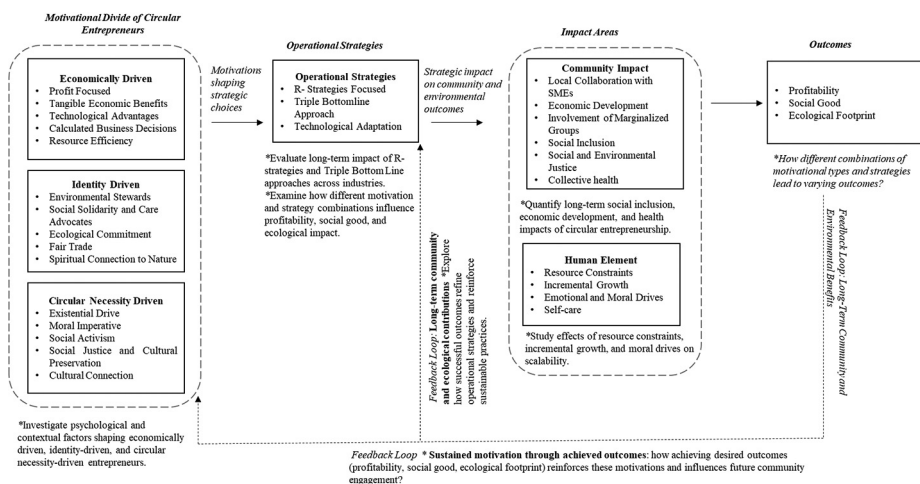


Source(s): Created by authors

Figure 1. Coding structure

Findings

This study explores the intricate relationship between circular business strategies and social motivations, focusing on the extent to which circular entrepreneurs integrate social aspects into their business models. The research is guided by two primary questions: How are circular business strategies interwoven with social motivations? And to what extent are circular entrepreneurs invested in the social facet? The underlying hypothesis is that small



Note(s): *Future research agenda

Source(s): Created by authors

Figure 2. Framework of motivations, strategies and impacts in circular entrepreneurship: an exploratory model

circular business entrepreneurs not only prioritize environmental and economic benefits but also actively incorporate social dimensions into their business operations. This research aligns with [Ferreira et al. \(2022\)](#) findings by highlighting the role of social motivations in fostering competitive and effective business practices within the CE framework.

Our analysis reveals several key themes. Firstly, there is a clear emphasis on various R-strategies, particularly “reduce”, which is systematically adopted to minimize resource use and waste. Secondly, a distinction emerges between economically driven entrepreneurs who leverage environmental advantages for financial gains and identity-driven entrepreneurs motivated by deeper social and environmental commitments. In addition, we identify a novel category of circular necessity entrepreneurs, driven by an existential need to engage in sustainable practices. Finally, the community impact of circular entrepreneurship is significant, involving collaborations that enhance local economic development and social inclusion.

These findings provide a comprehensive understanding of how circular entrepreneurs integrate social facets into their business models. The following sections will delve into these themes in detail, illustrating the multifaceted motivations and strategies that define circular entrepreneurship.

The common thread and the motivational divide in circular entrepreneurship

In all the cases studied, circular business model practices are primarily centred on the R-strategies, with a strong focus on “reduce”. While the strategy of “reduce” might initially appear straightforward, as all companies aim to cut costs, within the context of SMEs adopting the circular economy, “reduce” signifies a deliberate and comprehensive approach to minimizing the use of natural resources and reducing waste from product design to production. This approach offers valuable insights into the specific motivations, challenges

Table 3. Sample description and its connection with the triple bottom line and related theories

No.	Company name	Connection to the area	Purpose	Activity	Labour approach	Social	Environmental	Economic	SSE	Ethics of care theory
1	Flor de Doñana	Linked to the territory, contributes to socio-economic development of local environment	Socio-economic development of the local environment, 100% local workforce	Organic cultivation of berries; 100% organic production	100% local labour – supports Women, gender equality, work and family reconciliation	xx	xxx	xxx	Yes	
2	Consumo Gusto	Not explicitly mentioned	Contribute to a fairer and more sustainable society, responsible consumption of organic, local and fairtrade products	Ecological consumption cooperative (Basket of organic, local and fairtrade products)	Workers are people in social exclusion, except for management positions	xxx	xxx	x	Yes	Yes
3	Fango y Flores	Personal and professional relationship with the environment	Concern for nature and environment, use of plants and materials from the environment, recovery of traditional practices and knowledge of the local area	Handmade pottery and natural cosmetics	Not mentioned	x	xxx	x	Yes	
4	Traperos	Born during Spanish economic crisis, founders from areas of de-growth and social justice	Solidarity in addressing environmental and economic crisis and social justice issues	Social economy entity, waste management services, repair and reuse products	Hiring and caring for people in social exclusion – socio-labour insertion and personal development	xxx	xxx	x	Yes	Yes
5	Bo True activities	Founded at the University of Huelva	Reduce water use, increase soil fertility and biodiversity in agriculture	Technology transfer to agriculture (efficient irrigation management, regenerative agriculture practices)	Works for small agriculture and small farmers	x	xxx	xxx	Yes	
6	LAR Arquitectura	Not explicitly mentioned	Responsible and sustainable architecture (buildings designed with energy consumption determination, memory of the place and the people who inhabited it)	Architecture	Not mentioned	x	x	xxx		
7	Solar Wolf	Family origins focus on Spain's climatology	Environmental sustainability, adaptation to Spain's climatology and savings in domestic economies	Solar energy equipment, renewable energy studies	Not mentioned	x	x	xxx		
8	Kurandana	None	Help people to reconnect	Artisan artist, organic food and nutrition, self-care workshops	Not mentioned	xx	xx	x	Yes	Yes

Note(s): *x = less connected; xxx = more connected; + = First Spanish agri-food company to achieve B-Corp certification; first place in the environmental category at the national level in 2019
Source(s): Created by authors

and benefits these companies face, as they integrate reduction into their value chains while managing both operational and cultural barriers.

Beyond “reduce”, other R-strategies adopted across the board include “reuse”, “repair”, “refurbish”, “regenerate” and “rethink”. These strategies are especially appealing to smaller companies with limited resources and capabilities. Notably, strategies such as “refuse”, “remanufacture”, “repurpose” and “recycle” are conspicuously absent, likely due to the significant investments required for these approaches. An intriguing aspect is found in Case 8, where “rethinking” plays a pivotal role in recycling natural products into artistic creations. One entrepreneur shared:

Often, I find things abandoned on the beach, such as remains of wood from a boat or a tree that suggest a shape to me. I take them to the workshop and make a sculpture with them.

The B-Corp certification emerges as a guiding framework for companies striving to balance the three dimensions of sustainability: environmental, economic and social. However, with the exception of Case 1, equilibrium among these dimensions is largely absent in the studied business models. Case 1, Flor de Doñana Biorganic, stands out for its balanced approach, merging traditional wisdom with scientific innovation to achieve holistic ecological cultivation. They describe their enterprise as:

The synergy of young, dynamic individuals who combine traditional wisdom with cutting-edge scientific understanding. Our aim is not just for ecological cultivation, but for a holistic approach that encompasses environmental, economic, and social sustainability.

Despite a shared commitment to sustainability, the motivations driving these circular businesses diverge significantly, bifurcating into economically driven and identity-driven motivations. This divide presents two distinct profiles: technologically oriented entrepreneurs in Cases 5, 6 and 7, and purpose-driven entrepreneurs in Cases 1, 2, 3, 4 and 8. The latter group does not simply choose to adopt circular practices; they are “born circular”, with motivations deeply ingrained in their territorial, natural or social contexts. Their very sense of purpose is derived from these contextual elements, compelling them to challenge the status quo.

These findings highlight that while all circular entrepreneurs are united by their dedication to sustainability, their underlying motivations vary greatly. Economically driven entrepreneurs leverage circular strategies to achieve financial gains, viewing these practices as strategic business decisions. In contrast, identity-driven entrepreneurs see circular practices as essential to their identity and mission, motivated by a profound desire to make a positive impact on their communities and the environment. This distinction underscores the complexity and depth of motivations in circular entrepreneurship.

Economically-driven vs identity-driven circular entrepreneurs: a nexus of economic, social and environmental values

The findings delineate a striking bifurcation among the circular entrepreneurs studied. On the one hand, Cases 5–7 strategically exploit environmental advantages to achieve tangible economic benefits. Case 5 exemplifies this mindset, stating, “*Embracing circularity isn’t just an ethical choice for us; it’s a highly calculated business decision*”. They have harnessed advanced technologies to turn environmental opportunities into economic advantages. Similarly, Case 6 points out, “*Our venture into circular entrepreneurship is essentially a by-product of technological innovation*”. By combining resource efficiency with technological prowess, they have achieved a competitive edge in the marketplace.

Conversely, Cases 1–4 deploy their entrepreneurial drive towards the intertwined goals of social and environmental betterment, with identity-driven motivations taking centre stage. Within this group, sub-divisions emerge.

Environmental stewards. Cases 1 and 3 are compelled by an unshakeable commitment to environmental sustainability. Case 1's philosophy rests on a modern interpretation of agriculture that places environmental stewardship at its core. As they articulated:

Our agricultural practices are more than just a business model; they are a sustainable lifestyle. We are not just farming; we are safeguarding biodiversity and natural resources. This commitment was recognized when we won the national environmental award in 2019.

Similarly, Case 3 affirms, "*Our lifelong symbiosis with Doñana National Park isn't just a personal preference; it's a professional imperative. This enduring relationship has fundamentally shaped our commitment to environmental sustainability at every operational level*".

Social solidarity and care advocates. Contrastingly, Cases 2 and 4 underline a deep-rooted commitment to social justice and care. Case 2 emphasizes, "*Our venture, Consumo Gusto, was conceived as a powerful amalgamation of social justice, environmental stewardship, fair trade, and inclusion. We did not merely seize an opportunity; we recognized a moral imperative to build a transformative enterprise. Our commitment isn't just to business; it is to a solidarity economy that is mindfully centred on compassionate care*". Case 4 likewise confirms:

In our ethos, environmental and social justice are inseparable twins—each reinforcing the other. It is not merely a choice for us but a fundamental principle that makes prioritisation an intricate calculus. When we advocate for one, we invariably champion the other.

Case 8 is interesting because it aligns the business activity with a more spiritual or transcendental concept of care, connecting with inner peace (self-care) as well as with Mother Earth:

The most important thing is to take care of yourself, eating well, practicing meditation or other therapeutic activities that we organize here. But also enter into communion with others and with nature. And we do that through beauty, meditation sessions, and caring for the earth. In short, care of the body, mind and spirit.

This analysis underscores that while all circular entrepreneurs are united by their dedication to sustainability, their underlying motivations vary greatly. Economically driven entrepreneurs focus on leveraging circular strategies for financial gain, viewing these practices as strategic business decisions. In contrast, identity-driven entrepreneurs see circular practices as essential to their identity and mission, motivated by a profound desire to make a positive impact on their communities and the environment. This distinction highlights the diverse pathways through which circular entrepreneurship contributes to sustainable development, revealing the multifaceted nature of motivations that drive these entrepreneurs towards a common goal of sustainability.

The novel paradigm: circular necessity entrepreneurs

Our study not only sheds light on the diverse motivations driving circular entrepreneurs but also uncovers a new category – circular necessity entrepreneurs. [Noorbakhsh and Teixeira \(2024\)](#) highlighted the contributions of necessity-driven entrepreneurship, particularly in low-resource environments, to fostering entrepreneurial dynamism. Similarly, this study identifies circular necessity entrepreneurship as a significant driver within the circular

economy, where resource limitations compel entrepreneurs to innovate and integrate sustainability into their business models. This cadre is distinguishable from the conventional opportunity-driven or identity-driven circular entrepreneurs. What sets them apart is a deeper, almost existential, need to operate in a circular, sustainable manner as a form of necessity that serves less as a survival instinct and more as a pull factor compelling them towards long-term, meaningful impact.

Interestingly, the term “necessity” in this context diverges from the commonly understood survival-oriented motives. Case 4’s perspective elucidates this subtle but critical difference. *“Our journey into circular entrepreneurship was not just a strategic decision; it was a calling”*, they shared. This statement reveals that for circular necessity entrepreneurs like Case 4, the drive to engage in circular practices stems from an inner imperative that borders on the moral and the existential. This business, as they put it, is an *“extension of who we are, our culture, and our connection to this land”*.

This sense of connection goes beyond business models and enters the realm of social contribution and cultural preservation. In line with this, Case 2 mentioned, *“My hometown has always had a sustainable approach to life, long before it became a trend”*. This draws our attention to another layered aspect of their motivation – intangible heritage and a deep-rooted identification with the territory. For entrepreneurs like Case 2, circular business practices become a manifestation through which to both preserve and broadcast a traditional way of life to a broader audience. Moreover, the circular necessity entrepreneurs are not content to merely adopt sustainable practices; they seek to advance them as a form of social activism. *“Our business is more than just a career path; it is a form of activism, a way of aligning my livelihood with my convictions”*, says Case 4.

In this sense, Case 8 also goes beyond opportunity, although it is not an economic necessity, but rather a vital one:

The term circular economy is a fad. Before, there were others. New concepts will appear later. It's more of the same. For me it has always been there. It's what I've felt I needed to do to be satisfied with myself

The community impact of circular entrepreneurship

Our findings indicate that circular entrepreneurship is not just an isolated venture but often involves dynamic collaboration with local businesses and individuals, especially in Cases 1, 2, 7 and 8. These partnerships do not merely bolster the individual entrepreneurs but contribute significantly to local economic development. Case 1, for instance, leverages circular business models in agriculture to make organic production more sustainable. *“Our community partnerships allow us to go beyond just farming; we are building a sustainable agricultural ecosystem that benefits everyone involved”*, they mention. This approach not only champions environmental stewardship but also invigorates local economies. Similarly, Case 2 and Case 4 actively involve marginalized groups in their business models, thereby fostering social inclusion. As Case 2 elucidates, *“Our commitment isn't just to business; it's to a solidarity economy that is mindfully centred on compassionate care”*. By providing income and job opportunities, Case 2 contributes to the social fabric in a meaningful way.

Case 7 takes this a step further by linking technological innovation to local partnerships. *“Our collaborations with local businesses amplify the benefits of our technology, turning local constraints into opportunities”*, they state. This gives us a glimpse into how technology and local insights can synergize for broader impact. Moreover, the environmental benefits of these collaborations are equally noteworthy. Cases 1 and 5 focus on soil regeneration and maximizing production, emphasizing the interplay between economic activity and

environmental sustainability. Case 4 takes this a notch higher by concentrating on recycling-based activities. *“In our ethos, environmental and social justice are inseparable twins—each reinforcing the other”*, adds Case 4.

Finally, this community aspect also manifests itself as a more spiritual dimension of care as Case 8 point out:

I have come from Malaga to Huelva by chance. I'm older now, but my dream is to create a community. That's why I have accommodation. We heal together, we eat together, we share together. As in avatar.

This comment leads us to a more spiritual sense of community and holistic impact. The symbiotic relationship between circular entrepreneurs and their local communities thus adds another layer to our understanding of the multifaceted impacts of circular entrepreneurship.

Unpacking the complex landscape of the motivations behind circular entrepreneurship

Our in-depth analysis of the diverse landscape of circular entrepreneurs has surfaced a wealth of insights, revealing a rich tapestry of motivations, strategies and approaches that defy simple categorization. As we draw this study to a close, several cross-cutting themes warrant special attention, serving as the linchpin that binds our findings into a cohesive narrative. Throughout our analysis, it is evident that the motivations behind circular entrepreneurship are multi-faceted. While all of the studied entrepreneurs share a commitment to sustainability, they diverge considerably in the nuances of their motivations, be it economic or identity-driven. Our findings lend themselves to a nuanced understanding of circular entrepreneurship, one that recognizes the complex interplay between economic imperatives, social drivers and the very real human and resource constraints that entrepreneurs navigate. It is this intricate calculus that makes the journey towards sustainability not just a business endeavour but a deeply human one.

We have dissected the diverse motivations of our case studies into various categories – economic-based, identity-based and the novel circular necessity entrepreneurs. Yet, it is crucial to remember that these categories are far from siloed. For instance, Case 4 encapsulates this multifaceted nature perfectly: *“Seeing the need of many people who were in the process of social insertion but who really had it complicated [...] I want to work. And then, we created the firm”*. Here, social need was not just an add-on but a driving force that navigated economic considerations. While our primary focus has been on unpacking the motivations behind circular entrepreneurship, it is vital not to overlook the human (and not human) elements that permeate these ventures. As Case 8 is shown referring caring for oneself and the community at all levels.

On the other hand, as expressed by Case 1, *“What we do, we do little by little, with our means and resources”*, there is an acknowledgement of the constraints and challenges faced in operationalizing these grand visions. This lends an added layer of relatability and feasibility to the trajectories we have studied, reminding us that entrepreneurship is a journey or an effectuation process often taken in incremental steps. Our study also shines a light on the practicalities that entrepreneurs face daily. As revealed in Case 3's candid admission, *“We don't have a strategy. We don't measure”*, these businesses often adapt and improvise, refining their approaches as they scale. These humble beginnings and incremental growth strategies underscore the pragmatism needed to turn visionary ideas into actionable results.

Figure 2 represents the research framework derived from our findings, which encapsulates the themes and relationships identified through the exploratory analysis. Rather than guiding the analysis from the outset, this framework emerged as a synthesized

representation of the motivational, operational and impact-driven elements observed across the cases.

Discussion

In the face of increasing environmental degradation and social inequalities, the world is in dire need of innovative business models that can address these challenges. Our study seeks to explore how social motivations influence the adoption and implementation of circular business strategies. In particular, our findings demonstrate that circular entrepreneurship can function not only as an economic activity but as a form of social engagement that actively contributes to community welfare, bridging the gap between environmental practices and social impact. To enrich our analysis, we introduce two theoretical frameworks: the ethics of care and the social and solidarity economy (SSE) theories. The ethics of care emphasizes the importance of relationships, responsibilities and care as essential features that motivate action. SSE, on the other hand, focuses on the role of cooperatives, mutual associations and social enterprises in achieving economic activities that prioritize social objectives over profit (Borzaga *et al.*, 2019). These theories provide us with lenses to re-examine and expand upon our initial findings, offering new perspectives on why and how social motivations influence the adoption and implementation of circular business strategies.

Our study contributes to the theoretical understanding of circular entrepreneurship by affirming that socially motivated enterprises can indeed achieve a balance between economic viability and social welfare, and this balance is critical for sustainable growth. Regarding the adoption of circular business R-strategies (RQ1), the prevalence of the “reduce” approach is consistent with findings by Henry *et al.* (2020) and Ormazabal *et al.* (2018), who observed similar trends among European circular start-ups and Spanish circular-oriented SMEs. This pattern indicates a universal preference for the “reduce” strategy among circular entrepreneurs, irrespective of diverse contexts. An underlying reason could be that SMEs tend to opt for strategies with lower intellectual and financial demands. This observation sheds light on the limited uptake of strategies like “refuse”, “remanufacture”, “repurpose” or “recycle”. Although essential to CE, these strategies require more substantial resource commitments, making them less suitable for resource-constrained SMEs. Although this is the rule, we have also observed how innovation and creativity through “rethinking” can compensate for the lack of resources in small businesses to develop other products, such as artistic ones, through “recycling”. In this regard, we also highlight that a common characteristic among the circular social entrepreneurs interviewed is their use of effectual logic to discover opportunities with the resources available at that moment and without extensive planning (Sarasvathy, 2001). The transformative role of technologies, such as blockchain, in bolstering SME resilience and advancing sustainable practices (Kumar *et al.*, 2024; Pooja *et al.*, 2024), complement our findings on operational strategies in circular entrepreneurship.

The preference for simpler circular strategies such as “reduce” aligns with both the operational limitations of small enterprises and their desire for sustainable impact, reinforcing SSE principles that prioritize social good over complex, resource-intensive practices. This observation underscores the compatibility of small businesses with the CE model by illustrating how limited resources do not prevent companies from making impactful contributions. However, it is true that there is no defined method for developing circular business models. In fact, there are numerous definitions and approaches to the concept, as we have highlighted in the literature review. For this reason, many of these companies that consider themselves circular choose to follow business models based on certifiable schemes, such as ECG or B-Corps, which expand the scope of the business model

towards sustainability in its three dimensions. Thus, the study's exploration of the TBL and SDGs approach brings to light the significance of B-Corp certification as a guiding tool for companies striving to balance economic, environmental and social dimensions, as underscored by research findings (Gazzola *et al.*, 2022; Liute and De Giacomo, 2022). It is also true that these frameworks are more commonly used by large companies or those oriented towards export, as in Case 1. In addition, we note that most of the circular businesses studied that integrate the SDG and SSE frameworks (Lee, 2020) are cooperatives (Case 1) or hybrid social enterprises (Cases 2, 3, 4, 5, 8) (Doherty *et al.*, 2014), similar to those adopting the SSE approach, in line with Borzaga *et al.* (2019).

Moreover, the analysis unveils nuanced subcategories within the identity-based cluster, discerning between those rooted in environmental origins and those propelled by the values of solidarity and care. This differentiation highlights the diverse paths through which companies can approach social and environmental sustainability. The identity-driven entrepreneurs' commitment to circularity reveals a strong connection to local culture and social equity, often manifesting as community-driven initiatives and collaborations that bolster local economies and social networks. As Ntamu *et al.* (2023) emphasize about the importance of collaboration and shared goals, particularly in addressing complex societal challenges. The diversity in the origins of entrepreneurial models across the analysed cases unveils the intricate tapestry of motivations (RQ2) that propel circular entrepreneurship. Within this spectrum, distinct paradigms emerge: on one trajectory, certain entities embrace circularity through a technological lens, recognizing it as an avenue for economic advancement where profit-oriented incentives take the lead. On an opposing trajectory, a different cluster aligns deeply with territorial roots, nature and overarching societal principles, exemplifying motivations grounded in identity. Particularly noteworthy is the profound embodiment of circularity within this latter group, not as a calculated decision, but as an intrinsic principle driven by an unyielding belief in the imperative to foster transformation and challenge the existing norms. This poignant distinction magnifies the multidimensional essence of circular entrepreneurship and its underpinning motivations (Bastianoni *et al.*, 2023).

The concept of "necessity" emerges as a transformative force, encompassing survival motivations while serving as a powerful driver of positive change (Korsunova *et al.*, 2022). It operates as a propulsive "pull" motive, akin to the concept of pure entrepreneurship, where both opportunity and necessity converge as affirmative "pull" factors (Gundry and Welsch, 2001). Within this framework, we introduce the novel concept of "circular necessity entrepreneurship", wherein the imperative to forge a better world propels individuals towards entrepreneurial endeavours and a broader commitment to sustainable and care practices. This conceptualization enriches our understanding of the complex interplay between necessity and opportunity within the broader CE context. The emergence of "circular necessity entrepreneurship" invites future research to explore how necessity-driven motivations intersect with social equity goals in various socio-economic contexts. Precisely, as Fisher *et al.* (1990, p. 40) state in their definition of care ethics: "that world includes our bodies, ourselves, and our environment, all of which we seek to interweave in a complex, life-sustaining web". Moreover, this concept of care, coupled with the necessity derived from the analysed companies, follows Conradi's (2015) perspective on the need to transform society by recognizing the necessity of care and acting accordingly.

Furthermore, the study accentuates the significance of intangible heritage intertwined with territorial identity and cultural legacy (Fusco Girard and Vecco, 2021). This intangible motivation signifies a profound dedication to conserving traditions and a way of life, underscoring the social facets ingrained in the fabric of circular entrepreneurship. By

integrating intangible heritage into their business models, these entrepreneurs are not only promoting sustainable practices but are also fostering a sense of cultural continuity, which has vital implications for community cohesion and resilience in the face of globalization.

The examined cases underscore the prevailing influence of non-economic catalysts in propelling circular entrepreneurship where societal shifts, formative life experiences, developmental exposure and learning intricately mould motivations (Henry *et al.*, 2023). Among these, ethical considerations and a sense of social altruism hold pivotal roles (Lorenzo-Afable *et al.*, 2020). Likewise, the aspiration to ignite transformative shifts in societal consumption patterns emerges as a central psychological motivator (Carsrud and Brännback, 2011; Rovanto and Finne, 2023). This accentuates the imperative of encompassing both economic and social dimensions within the framework of CBMs (Suchek *et al.*, 2022). These observations invite further investigation into how formative experiences contribute to entrepreneurs' ethical frameworks, potentially shaping business decisions and public perceptions of CE as an inherently ethical model.

Integrating CBMs with a strong social dimension offers significant managerial and social implications. From a managerial perspective, adopting social CBMs enables firms to strategically differentiate themselves in the marketplace, gaining a competitive edge by attracting environmentally and socially conscious consumers. This differentiation enhances brand loyalty and market share. In addition, companies that integrate social considerations into their circular strategies can strengthen relationships with a wide range of stakeholders, including customers, employees, suppliers and local communities, building trust and fostering long-term partnerships essential for sustainable growth. Proactively addressing SDG goals through CBMs also helps businesses stay ahead of regulatory requirements, mitigating potential legal and reputational risks.

From a social perspective, CBMs contribute to job creation and economic development, particularly in sectors such as recycling, remanufacturing and sustainable product design, thereby supporting local economies and fostering inclusive growth. These models enhance community well-being by reducing environmental pollution, improving public health and ensuring fair labour practices, addressing inequalities and contributing to more equitable and inclusive societies. Engaging local communities in circular initiatives empowers individuals and builds capacity at the grassroots level, providing education, training and resources for sustainable practices and fostering a sense of heritage identity and responsibility. Promoting CBMs with a social focus drives a cultural shift towards sustainability, raising awareness and demonstrating the tangible benefits of circular practices; inspiring behavioural changes among consumers, businesses and policymakers; and encouraging a more sustainable and conscientious society. Ultimately, the successful integration of CBMs with social considerations enhances the quality of life by addressing environmental and social challenges simultaneously, contributing to healthier, more sustainable and more resilient communities.

Implications and directions for future research

This study opens new avenues for research and policy, underscoring the complex intersections of social entrepreneurship and CBMs within CE. The findings highlight the potential of socially-driven CBMs to contribute not only to environmental sustainability but also to social equity and economic development. However, a number of research gaps and policy considerations remain unaddressed. Here, we outline key implications and future research directions to advance our understanding and practical application of these interlinked domains.

Bridging the gap between social entrepreneurship and circular economy practices

A key research implication of this study is its contribution to addressing the literature gap at the intersection of social entrepreneurship and CBMs within CE. While social entrepreneurship has been widely explored in fields such as sustainable development and innovation, its role in driving circularity-focused business practices remains underdeveloped (Dentchev *et al.*, 2018; Staicu and Pop, 2018; Suchek *et al.*, 2022). This study advances the discourse by highlighting how social motivations – such as community solidarity, cultural preservation and environmental stewardship – serve as pivotal drivers for CBM adoption. These findings also build on emerging discussions around context-specific entrepreneurial motivations (Aparisi-Torrijo *et al.*, 2023), offering a nuanced perspective on how diverse socio-economic settings shape the integration of social and circular strategies.

Future research should aim to establish a more robust theoretical foundation to systematically explain how social motivations manifest and influence circular practices across varied entrepreneurial and cultural contexts. This includes examining the interplay between economic imperatives and identity-driven motivations, as observed in concepts like “circular necessity entrepreneurship”, which broadens traditional typologies of entrepreneurial drivers to include ethical and existential imperatives.

In addition, further studies could deepen our understanding by exploring how social entrepreneurship operationalizes specific R-strategies – such as reduce, reuse, recycle and regenerate – across different industries and socio-economic environments. Investigating whether particular social motivations align with specific circular practices could elucidate patterns that enrich the CE framework from a socially inclusive lens. For instance, examining how identity-driven entrepreneurs integrate “regenerate” strategies within culturally sensitive contexts may offer insights into scalable practices for regions where cultural heritage is central to entrepreneurial activity. Such research would not only bridge existing gaps but also provide actionable insights for enhancing the social inclusivity of CE models.

Enhancing support for socially-driven circular models

The study’s insights highlight the critical need for policy frameworks that actively support and incentivize the integration of social objectives within CE policies. Kryeziu *et al.* (2024) emphasize the role of institutional frameworks in shaping entrepreneurial behaviour, particularly in transition economies, aligning with our findings on rational decision-making processes in CE. Policy interventions should prioritize subsidies, tax incentives and financial support for enterprises that embed social goals within their circular strategies. In addition, integrating measurable social metrics – such as job creation, community well-being indices and reductions in resource waste – into circular economy certifications (e.g. B-Corp and ECG) could enhance CE’s contribution to achieving the SDGs, particularly in regions where economic disparity, environmental degradation and inequality are closely linked.

Furthermore, regional and local governments could implement educational and training programmes to foster a robust understanding of how social entrepreneurship intersects with circularity, thereby encouraging SMEs to adopt socially-oriented CBMs. These programmes could include workshops, mentorship opportunities and public awareness campaigns to underscore the value of social inclusion within CE. Drawing on successful public policy models from regions with established CE frameworks, such as the Nordic countries, could provide replicable strategies that can be adapted to localized contexts like Huelva. Such initiatives would not only bolster community involvement but also create a more resilient and sustainable local economy, particularly in economically marginalized areas.

Expanding research through comparative regional studies

Our study highlights the value of examining circular entrepreneurship within specific socio-economic contexts, as motivations for circularity may vary widely across regions with different cultural, economic and environmental conditions. Future research could benefit from comparative studies that investigate CBMs in diverse regions to assess the consistency and variability of social motivations. Comparative studies could explore how universal principles of circularity intersect with region-specific factors such as cultural traditions, resource availability and local policy frameworks, thereby enhancing understanding of CE adoption in a global context.

Such research could also involve cross-national studies to understand how variations in policy, infrastructure and economic conditions influence the motivations behind socially-driven CBMs. For instance, analysing the impacts of socio-economic instability in one region versus economic prosperity in another could illuminate context-specific drivers and barriers to CE adoption. These findings could inform regionally tailored policy frameworks that address localized challenges while leveraging universal strategies to encourage socially responsible entrepreneurship.

Building partnerships and expanding collaborative networks

The findings illustrate the potential of socially-driven CBMs to foster collaborative networks, particularly through partnerships with local communities and other small businesses (Conlon *et al.*, 2019). Building on this, future research could explore the role of local collaborations in amplifying the impact of circular enterprises, especially in marginalized communities. Examining these networks and their contributions to environmental and social objectives would provide insights into how such partnerships can amplify the collective impact of circular entrepreneurs at the community level (Quintelier *et al.*, 2023).

Moreover, policymakers and practitioners could use these insights to promote public-private partnerships, encouraging CE adoption at a community level. By incentivizing collaborative initiatives – such as offering grants or tax breaks for projects integrating community-based approaches – stakeholders can leverage shared resources and knowledge. This would enhance the social and environmental benefits of CBMs, support local economic development and promote the diffusion of CE practices with measurable social impact.

Expanding secondary data collection for in-depth understanding

While this study used diverse data sources, future research could enhance the depth of analysis by incorporating additional secondary data such as historical company records, industry reports and community impact assessments. By leveraging these sources, researchers could obtain detailed metrics to evaluate long-term outcomes and scalability, gaining a richer and more comprehensive view of the social and economic impacts of circular businesses. This approach would not only provide historical context but also enable longitudinal analyses to trace the evolution of socially-driven CBMs and their sustained contributions to local communities over time.

The ethical dimensions of circular business models

The integration of ethical theories, such as the ethics of care, into the analysis of CE practices reveals the moral imperatives that drive many circular entrepreneurs. Future studies could expand on this by investigating the ethical dimensions of CBMs, particularly how

entrepreneurs perceive and navigate ethical responsibilities towards their communities and the environment. In addition, incorporating the ethics of care into entrepreneurship education could foster an understanding of these moral responsibilities, shaping future leaders who prioritize social and environmental well-being. Such research would enhance our understanding of how ethical considerations influence decision-making processes and the implementation of social goals within the CE framework.

Conclusions

This study sheds light on the often-overlooked social dimension of CE, emphasizing the significance of integrating social considerations into circular business models. The study advocates for the symbiotic relationship between the theory of ethics of care and the SSE with the CE, emphasizing their capacity to foster inclusive, equitable and socially impactful circular strategies. The motivations of circular entrepreneurs encompass a spectrum of social and environmental goals, advocating for systemic change, justice and community betterment. By bridging the gap between economic objectives and societal well-being, this research advances our understanding of CE's holistic potential.

While this study provides valuable insights, its geographic specificity and small sample size pose limitations to the generalizability of the findings. Future research should aim to expand the scope by incorporating diverse samples and multi-regional studies to enhance the applicability of results. Nonetheless, the study highlights the transformative power of aligning circular strategies with social dimensions. As we navigate the complexities of sustainability, it is imperative that circular entrepreneurs recognize the intricate interplay between short-term gains, long-term impacts and the imperative to nurture solidarity, care and empowerment for a more inclusive and resilient future.

The methodological framework of this study is designed to capture the cultural, organizational and individual dimensions of CE practices, as suggested by [Gonella et al. \(2024\)](#). By focusing on SMEs in Huelva, Spain, a region characterized by socio-economic challenges, the study provides insights into how local entrepreneurs navigate the interplay between individual awareness, organizational dynamics and societal norms to implement circular strategies.

In conclusion, this study has demonstrated that “care” is the primary driver among the entrepreneurs analysed, and that “health” emerges as the main and most evident outcome of their efforts. The entrepreneurs are not only seeking to improve individual health, encompassing physical, mental and spiritual aspects, but are also concerned with collective health, considering the well-being of the ecosystem and society as a whole. This comprehensive approach underscores the interdependence between care and health, highlighting how robust and ethical circular practices can lead to significant improvements at all levels of health. The findings suggest that promoting a culture of care not only benefits individuals but also strengthens the resilience and sustainability of communities and natural environments, providing a solid foundation for sustainable development and overall well-being.

References

- Aljarodi, A.M., Thatchenkery, T. and Urbano, D. (2024), “Female entrepreneurship in the start-up ecosystem of Saudi Arabia”, *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 18 No. 5, pp. 964-988.
- Amit, R. and Muller, E. (1995), “Push and pull entrepreneurship”, *Journal of Small Business and Entrepreneurship*, Vol. 12 No. 4, pp. 64-80.

- Aparisi-Torrijo, S., Ribes-Giner, G. and Chaves-Vargas, J.-C. (2023), "How leadership factors impact different entrepreneurship phases: an analysis with PLS-SEM", *Journal of Business Economics and Management*, Vol. 24 No. 1, pp. 136-154, doi: [10.3846/jbem.2023.18599](https://doi.org/10.3846/jbem.2023.18599).
- B Lab (2024), "Benefit corporations", available at: www.bcorporation.net/en-us/ (accessed: 2 January 2024).
- Barratt, M., Choi, T.Y. and Li, M. (2011), "Qualitative case studies in operations management: trends, research outcomes, and future research implications", *Journal Operation Management*, Vol. 29 No. 4, pp. 329-342.
- Bartolacci, F., Caputo, A. and Soverchia, M. (2020), "Sustainability and financial performance of small and medium sized enterprises: a bibliometric and systematic literature review", *Business Strategy and the Environment*, Vol. 29 No. 3, pp. 1297-1309.
- Bastianoni, S., Goffetti, G., Neri, E., Patrizi, N., Ruini, A., Sporchia, F. and Pulselli, F.M. (2023), "LCA based circularity indices of systems at different scales: a holistic approach", *Science of The Total Environment*, Vol. 897, p. 165245.
- Baxter, P. and Jack, S. (2008), "Qualitative case study methodology: study design and implementation for novice researchers", *Qual. Rep.*, Vol. 13 No. 4, pp. 544-559.
- Beacham, J. (2018), "Organising food differently: towards a more-than-human ethics of care for the Anthropocene", *Organization*, Vol. 25 No. 4, pp. 533-549.
- Bischoff, L., López Manuel, L. and Vázquez Vicente, X.H. (2024), "Beyond one-size-fits-all: understanding the impacts of heterogeneous stakeholders on firm performance", *Strategic Change*, Vol. 34 No. 1, pp. 1-19, doi: [10.1002/jsc.2612](https://doi.org/10.1002/jsc.2612).
- Blomsma, F. and Brennan, G. (2017), "The emergence of circular economy: a new framing around prolonging resource productivity", *Journal of Industrial Ecology*, Vol. 21 No. 3, pp. 603-614.
- Boone, S., Andries, P. and Clarysse, B. (2020), "Does team entrepreneurial passion matter for relationship conflict and team performance? On the importance of fit between passion focus and venture development stage", *Journal of Business Venturing*, Vol. 35 No. 5, p. 105984.
- Borzaga, C., Salvatori, G. and Bodini, R. (2019), "Social and solidarity economy and the future of work", *Journal of Entrepreneurship and Innovation in Emerging Economies*, Vol. 5 No. 1, pp. 37-57.
- Borrello, M., Pascucci, S. and Cembalo, L. (2020), "Three propositions to unify circular economy research: a review", *Sustainability*, Vol. 12 No. 10, p. 4069.
- Cámara de Comercio de España, MAPFRE (2021), "Informe sobre la economía circular y Pymes en España", Madrid: Cámara de Comercio de España, MAPFRE, available at: <https://documentacion.fundacionmapfre.org/documentacion/publico/es/bib/175156.do> (accessed: 3 November 2022).
- Carsrud, A. and Brännback, M. (2011), "Entrepreneurial motivations: what do we still need to know?", *Journal of Small Business Management*, Vol. 49 No. 1, pp. 9-26.
- CIRAIG (2015), *Circular Economy: A Critical Literature Review of Concepts*, CIRAIG, Montreal, QC, Canada.
- Conlon, K., Jayasinghe, R. and Dasanayake, R. (2019), "Circular economy: waste-to-wealth, jobs creation, and innovation in the global south", *World Review of Science, Technology and Sustainable Development*, Vol. 15 No. 2, pp. 145-159.
- Conradi, E. (2015), "Redoing care: societal transformation through critical practice", *Ethics and Social Welfare*, Vol. 9 No. 2, pp. 113-129.
- Corona, B., Shen, L., Reike, D., Carreón, J.R. and Worrell, E. (2019), "Towards sustainable development through the circular economy—a review and critical assessment on current circularity metrics", *Resources, Conservation and Recycling*, Vol. 151, p. 104498.
- David, A. and Terstriep, J. (2024), "Against all odds—migrant entrepreneurs in entrepreneurial ecosystems with constraints", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 19 No. 2, pp. 248-275, doi: [10.1108/JEC-03-2024-0052](https://doi.org/10.1108/JEC-03-2024-0052).

- Davidson, K. (2009), "Ethical concerns at the bottom of the pyramid: where CSR meets BOP", *Journal of International Business Ethics*, Vol. 2 No. 1.
- Dawson, C. and Henley, A. (2012), "Push versus 'pull' entrepreneurship: an ambiguous distinction", ? *International Journal of Entrepreneurial Behavior and Research*, Vol. 18 No. 6, pp. 697-719.
- Dentchev, N., Rauter, R., Johannsdottir, L., Snihur, Y., Rosano, M., Baumgartner, R., Nyberg, T., Tang, X., van Hoof, B. and Jonker, J. (2018), "Embracing the variety of sustainable business models: a prolific field of research and a future research agenda", *Journal of Cleaner Production*, Vol. 194, pp. 695-703.
- Doherty, B., Haugh, H. and Lyon, F. (2014), "Social enterprises as hybrid organizations: a review and research agenda", *International Journal of Management Reviews*, Vol. 16 No. 4, pp. 417-436, doi: [10.1111/ijmr.12028](https://doi.org/10.1111/ijmr.12028).
- Dong, L., Liu, Z. and Bian, Y. (2021), "Match circular economy and urban sustainability: re-investigating circular economy under sustainable development goals (SDGs)", *Circular Economy and Sustainability*, Vol. 1 No. 1, pp. 243-256.
- Douglas, E.J. and Shepherd, D.A. (2002), "Self-employment as a career choice: attitudes, entrepreneurial intentions, and utility maximization", *Entrepreneurship Theory and Practice*, Vol. 26 No. 3, pp. 81-90.
- Eckhardt, J.T. and Shane, S.A. (2003), "Opportunities and entrepreneurship", *Journal of Management*, Vol. 29 No. 3, pp. 333-349.
- EEA (2016), *More from Less - Material Resource Efficiency in Europe*, EEA Report 10/2016 (09 June 2016), European Environment Agency, doi: [10.2800/240736](https://doi.org/10.2800/240736), available at: www.eea.europa.eu/en/analysis/publications/more-from-less (accessed 15 January 2025).
- Eisenhardt, K.M. (1989), "Building theories from case study research", *The Academy of Management Review*, Vol. 14 No. 4, pp. 532-550.
- Eisenhardt, K.M. and Graebner, M.E. (2007), "Theory building from cases: opportunities and challenges", *Academy of Management Journal*, Vol. 50 No. 1, pp. 25-32.
- Elkington, J. (2018), "25 years ago I coined the phrase 'triple bottom line.' Here's why it's time to rethink it", *Harvard Business Review*, Vol. 25, pp. 2-5.
- European Commission (2015), "Action plan for the circular economy [COM (2015) 614 final]".
- European Commission (2020), "Categorisation system for the circular economy", doi: [10.2777/172128](https://doi.org/10.2777/172128).
- Fairlie, R.W. and Fossen, F.M. (2018), "Opportunity versus necessity entrepreneurship: two components of business creation", Discussion Paper Series, IZA DP, p. 11258, <https://ftp.iza.org/dp11258.pdf>
- Felber, C. (2019), *Change Everything: Creating an Economy for the Common Good*, Zed Books, London.
- Ferreira, J.J., Fernandes, C.I., Veiga, P.M. and Caputo, A. (2022), "The interactions of entrepreneurial attitudes, abilities and aspirations in the (twin) environmental and digital transitions? A dynamic panel data approach", *Technology in Society*, Vol. 71, p. 102121.
- Figge, F., Thorpe, A.S. and Gutberlet, M. (2023), "Definitions of the circular economy: circularity matters", *Ecological Economics*, Vol. 208, p. 107823, doi: [10.1016/j.ecolecon.2023.107823](https://doi.org/10.1016/j.ecolecon.2023.107823).
- Filipe, S.F., Grammatikos, T. and Michala, D. (2016), "Forecasting distress in European SME portfolios", *Journal of Banking and Finance*, Vol. 64, pp. 112-135.
- Fisher, B., Tronto, J., Abel, E.K. and Nelson, M. (1990), "Toward a feminist theory of caring", *Family: Critical Concepts in Sociology*, Vol. 2, pp. 29-54.
- Fors, P. and Lennerfors, T.T. (2019), "The individual-care nexus: a theory of entrepreneurial care for sustainable entrepreneurship", *Sustainability*, Vol. 11 No. 18, p. 4904.
- Freeman, E. (2010), "Managing for stakeholders: trade-offs or value creation", *Journal of Business Ethics*, Vol. 96, pp. 7-9.
- Freeman, R.E., Phillips, R. and Sisodia, R. (2020), "Tensions in stakeholder theory", *Business and Society*, Vol. 59 No. 2, pp. 213-231.

- Freudenreich, B., Lüdeke-Freund, F. and Schaltegger, S. (2020), "A stakeholder theory perspective on business models: value creation for sustainability", *Journal of Business Ethics*, Vol. 166 No. 1, pp. 3-18.
- Fusco Girard, L. and Vecco, M. (2021), "The 'intrinsic value' of cultural heritage as a driver for circular human-centered adaptive reuse", *Sustainability*, Vol. 13 No. 6, p. 3231.
- Gazzola, P., Grechi, D., Ferioli, M. and Slavata, D. (2022), "B Corps and listed companies: empirical analysis on corporate social responsibility and innovation activity", *Kybernetes*.
- Geissdoerfer, M., Savaget, P., Bocken, N.M.P. and Hultink, E.J. (2017), "The circular economy—a new sustainability paradigm?", *Journal of Cleaner Production*, Vol. 143, pp. 757-768.
- Geissdoerfer, M., Pieroni, M.P., Pigosso, D.C. and Soufani, K. (2020), "Circular business models: a review", *Journal of Cleaner Production*, Vol. 277, p. 123741.
- Ghisellini, P., Cialani, C. and Ulgiati, S. (2016), "A review on circular economy: the expected transition to a balanced interplay of environmental and economic systems", *Journal of Cleaner Production*, Vol. 114, pp. 11-32.
- Gielnik, M.M., Spitzmuller, M., Schmitt, A., Klemann, D.K. and Frese, M. (2015), "I put in effort, therefore I am passionate": investigating the path from effort to passion in entrepreneurship", *Academy of Management Journal*, Vol. 58 No. 4, pp. 1012-1031.
- Gonçalves, J., Ferreira, F.A., Milici, A. and Ferreira, N.C. (2024), "Value-focused thinking and interpretive structural modeling in the development of resilience-enhancing initiatives in SMEs", *Strategic Change*, Vol. 0, pp. 1-18, doi: [10.1002/jsc.2617](https://doi.org/10.1002/jsc.2617).
- Gonella, J.D.S.L., Godinho Filho, M., Campos, L.M.D.S. and Ganga, G.M.D. (2024), "People's awareness and behaviours of circular economy around the world: literature review and research agenda", *Sustainability Accounting, Management and Policy Journal*, Vol. 15 No. 5, pp. 1118-1154.
- Gundry, L.K. and Welsch, H.P. (2001), "The ambitious entrepreneur: high growth strategies of women-owned enterprises", *Journal of Business Venturing*, Vol. 16 No. 5, pp. 453-470.
- Halkos, G. and Nomikos, S. (2021), "Corporate social responsibility: trends in global reporting initiative standards", *Economic Analysis and Policy*, Vol. 69, pp. 106-117.
- Hamington, M. (2009), "Business is not a game: the metaphoric fallacy", *Journal of Business Ethics*, Vol. 86 No. 4, pp. 473-484, doi: [10.1007/s10551-008-9859-0](https://doi.org/10.1007/s10551-008-9859-0).
- Heyes, G., Sharmina, M., Mendoza, J.M.F. and Gallego Schmid, A. (2018), "Developing and implementing circular economy business models in service-oriented technology companies", *Journal of Cleaner Production*, Vol. 177, pp. 621-632.
- Henry, M., Hoogenstrijd, T. and Kirchherr, J. (2023), "Motivations and identities of 'grassroots' circular entrepreneurs: an initial exploration", *Business Strategy and the Environment*, Vol. 32 No. 3, pp. 1122-1141.
- Henry, M., Bauwens, T., Hekkert, M. and Kirchherr, J. (2020), "A typology of circular start-ups: an analysis of 128 circular business models", *Journal of Cleaner Production*, Vol. 245, p. 118528.
- Ho, E., Boyle, M. and Yeoh, B. (2015), "Recasting diaspora strategies through feminist care ethics", *Geoforum*, Vol. 59, pp. 206-214.
- Hobson, K., Holmes, H., Welch, D., Wheeler, K. and Wieser, H. (2021), "Consumption work in the circular economy: a research agenda", *Journal of Cleaner Production*, Vol. 321, p. 128969.
- Hsieh, H.F. and Shannon, S.E. (2005), "Three approaches to qualitative content analysis", *Qualitative Health Research*, Vol. 15 No. 9, pp. 1277-1288.
- Institute of Statistics and Cartography of Andalusia (2022), "Tasa municipal de desempleo", available at: www.juntadeandalucia.es/institutodeestadisticaycartografia/sima/info.htm?f=j11 (accessed: 8 November 2022).
- International Labour Organization (ILO) (2022), "ILC.110/Resolution II. Resolution concerning decent work and the social and solidarity economy. 110th International Labour Conference", available

at: www.ilo.org/wcmsp5/groups/public/—ed_norm/—relconf/documents/meetingdocument/wcms_848633.pdf (accessed: 12 October 2022).

- Jabbour, C.J.C., Sarkis, J., de Sousa Jabbour, A.B.L., Renwick, D.W.S., Singh, S.K., Grebinevych, O., Kruglianskas, I. and Godinho Filho, M. (2019), “Who is in charge? A review and a research agenda on the ‘human side’ of the circular economy”, *Journal of Cleaner Production*, Vol. 222, pp. 793-801.
- Jackson, T. (2009), *Prosperity without Growth. Economics for a Finite Planet*, Earthscan, London, New York, NY.
- Jaeger-Erben, M., Jensen, C., Hofmann, F. and Zwiers, J. (2021), “There is no sustainable circular economy without a circular society”, *Resources, Conservation and Recycling*, Vol. 168, p. 10547.
- Joussen, T.P., Kanbach, D.K. and Kraus, S. (2024), “Enabling strategic change toward resilience: a systematic review from a dynamic capabilities perspective”, *Strategic Change*, pp. 1-33, doi: [10.1002/jsc.2626](https://doi.org/10.1002/jsc.2626).
- Kirchherr, J. and Charles, K. (2018), “Enhancing the sample diversity of snowball samples: recommendations from a research project on anti-dam movements in Southeast Asia”, *Plos One*, Vol. 13 No. 8, p. e0201710.
- Kirchherr, J., Reike, D. and Hekkert, M. (2017), “Conceptualizing the circular economy: an analysis of 114 definitions. Resources”, *Conservation and Recycling*, Vol. 127, pp. 221-232.
- Kirchherr, J., Yang, N.H.N., Schulze-Spüntrup, F., Heerink, M.J. and Hartley, K. (2023), “Conceptualizing the circular economy (revisited): an analysis of 221 definitions”, *Resources, Conservation and Recycling*, Vol. 194, p. 107001.
- Kirkwood, J. (2009), “Motivational factors in a push-pull theory of entrepreneurship”, *Gender in Management*, Vol. 24 No. 5, pp. 346-364.
- Kitching, J. and Rouse, J. (2020), “Contesting effectuation theory: why it does not explain new venture creation”, *International Small Business Journal*, Vol. 38 No. 6, pp. 515-535, doi: [10.1177/0266242620904638](https://doi.org/10.1177/0266242620904638).
- Korhonen, J., Honkasalo, A. and Seppälä, J. (2018), “Circular economy: the concept and its limitations”, *Ecological Economics*, Vol. 143, pp. 37-46.
- Korsunova, A., Halme, M., Kourula, A., Levänen, J. and Lima-Toivanen, M. (2022), “Necessity-driven circular economy in low-income contexts: how informal sector practices retain value for circularity”, *Global Environmental Change*, Vol. 76, p. 102573.
- Kryeziu, L., Krasniqi, B.A., Bağış, M., Hajrullahu, V., Zhushi, G., Bytyçi, D. and Ismajli, M. (2024), “The effects of institutions, firm-level factors and rational decision-making on entrepreneurial behaviors of MSMEs: lessons and opportunities for transition communities”, *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 18 No. 4, pp. 771-797.
- Kumar, J., Rani, G., Rani, M. and Rani, V. (2024), “Blockchain technology adoption and its impact on SME performance: insights for entrepreneurs and policymakers”, *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 18 No. 5, pp. 1147-1169.
- Laczniak, G.R. and Murphy, P.E. (2012), “Stakeholder theory and marketing: moving from a firm-centric to a societal perspective”, *Journal of Public Policy and Marketing*, Vol. 31 No. 2, pp. 284-292.
- Lee, S. (2020), “Role of social and solidarity economy in localizing the sustainable development goals”, *International Journal of Sustainable Development and World Ecology*, Vol. 27 No. 1, pp. 65-71.
- Lehtokunnas, T., Mattila, M., Närvänen, E. and Mesiranta, N. (2022), “Towards a circular economy in food consumption: food waste reduction practices as ethical work”, *Journal of Consumer Culture*, Vol. 22 No. 1, pp. 227-245.
- Liute, A. and De Giacomo, M.R. (2022), “The environmental performance of UK-based B Corp companies: an analysis based on the triple bottom line approach”, *Business Strategy and the Environment*, Vol. 31 No. 3, pp. 810-827.

- Lorenzo-Afable, D., Lips-Wiersma, M. and Singh, S. (2020), "Social' value creation as care: the perspective of beneficiaries in social entrepreneurship", *Social Enterprise Journal*, Vol. 16 No. 3, pp. 339-360, doi: [10.1108/SEJ-11-2019-0082](https://doi.org/10.1108/SEJ-11-2019-0082).
- Lüdeke-Freund, F., Gold, S. and Bocken, N.M.P. (2019), "A review and typology of circular economy business model patterns", *Journal of Industrial Ecology*, Vol. 23 No. 1, pp. 36-61.
- Luthin, A., Traverso, M. and Crawford, R.H. (2022), "Assessing the social life cycle impacts of circular economy", *Journal of Cleaner Production*, Vol. 386, p. 135725.
- McLaren, D., Niskanen, J. and Anshelm, J. (2020), "Reconfiguring repair: contested politics and values of repair challenge instrumental discourses found in circular economies literature", *Resources, Conservation and Recycling: X*, Vol. 8, p. 100046.
- MacArthur, E. (2013), *Towards the Circular Economy, Economic and Business Rationale for an Accelerated Transition*, Ellen MacArthur Foundation, Cowes, UK, pp. 21-34.
- Malagón-Vélez, L.E. (2021), "Social and solidarity economy conceptual contributions to the circular economy", *Cuadernos de Administración*, Vol. 37 No. 70.
- Marshall, B., Cardon, P., Poddar, A. and Fontenot, R. (2013), "Does sample size matter in qualitative research?: A review of qualitative interviews in IS research", *Journal of Computer Information Systems*, Vol. 54 No. 1, pp. 11-22.
- Mies, A. and Gold, S. (2021), "Mapping the social dimension of the circular economy", *Journal of Cleaner Production*, Vol. 321, p. 128960.
- Miller, T.L., Grimes, M.G., McMullen, J.S. and Vogus, T.J. (2012), "Venturing for others with heart and head: how compassion encourages social entrepreneurship", *Academy of Management Review*, Vol. 37 No. 4, pp. 616-640.
- Missimer, M., Robèrt, K.H. and Broman, G. (2017), "A strategic approach to social sustainability–Part 1: exploring the social system", *Journal of Cleaner Production*, Vol. 140, pp. 32-41.
- Moreau, V., Sahakian, M., Van Griethuysen, P. and Vuille, F. (2017), "Coming full circle: why social and institutional dimensions matter for the circular economy", *Journal of Industrial Ecology*, Vol. 21 No. 3, pp. 497-506.
- Murphy, K. (2012), "The social pillar of sustainable development: a literature review and framework for policy analysis", *Sustainability: Science, Practice and Policy*, Vol. 8 No. 1, pp. 15-29.
- Murray, A., Skene, K. and Haynes, K. (2017), "The circular economy: an interdisciplinary exploration of the concept and application in a global context", *Journal of Business Ethics*, Vol. 140 No. 3, pp. 369-380.
- Noorbakhsh, S. and Teixeira, A.A. (2024), "Do refugee inflows contribute to the host countries' entrepreneurial rates? A dynamic panel data analysis, 2000–2019", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 18 No. 3, pp. 487-532.
- Ntamu, D.N., Balunywa, W., Nsereko, I. and Kwemarira, G. (2023), "Collective action in social entrepreneurial ventures: the role of shared meaning", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 17 No. 6, pp. 1539-1560.
- OECD (2022), "Unemployment Rate - OECD data", OECD, Paris, available at: <https://data.oecd.org/unemp/unemployment-rate.htm> (accessed 8 November 2022).
- Ormazabal, M., Prieto-Sandoval, V., Puga-Leal, R. and Jaca, C. (2018), "Circular economy in Spanish SMEs: challenges and opportunities", *Journal of Cleaner Production*, Vol. 185, pp. 157-167.
- Padilla-Rivera, A., Russo-Garrido, S. and Merveille, N. (2020), "Addressing the social aspects of a circular economy: a systematic literature review", *Sustainability*, Vol. 12 No. 19, p. 7912.
- Pierrakis, Y., Ivanova, A. and Chawdhary, R. (2024), "Cleantech incubators within the sustainable entrepreneurial ecosystem: fundraising sources, income generation strategies, and the role of public support", *Strategic Change*, Vol. 33 No. 6, pp. 479-495.
- Pieroni, M.P.P., McAloone, T.C. and Pigosso, D.C.A. (2019), "Business model innovation for circular economy and sustainability: a review of approaches", *Journal of Cleaner Production*, Vol. 215, pp. 198-216.

-
- Pizzi, S., Corbo, L. and Caputo, A. (2021), "Fintech and SMEs sustainable business models: reflections and considerations for a circular economy", *Journal of Cleaner Production*, Vol. 281, p. 125217.
- Pla-Julián, I. and Guevara, S. (2019), "Is circular economy the key to transitioning towards sustainable development? Challenges from the perspective of care ethics", *Futures*, Vol. 105, pp. 67-77.
- Pooja, P., Chikhale, M.M. and Dhir, S. (2024), "Uncovering the strategic potential of blockchain technology adoption: a systematic literature review", *Strategic Change*, Vol. 34 No. 2, pp. 1-33, doi: [10.1002/jsc.2620](https://doi.org/10.1002/jsc.2620).
- Porter, M. and Kramer, M.R. (2011), "The big idea: creating shared value", *Harvard Business Review*, Vol. 89 Nos 1/2, pp. 62-77.
- Quintelier, K.J., van Bommel, K., van Erkelens, A.M. and Wempe, J. (2023), "People at the heart of circularity: a mixed methods study about trade-offs, synergies, and strategies related to circular and social organizing", *Journal of Cleaner Production*, Vol. 387, p. 135780.
- Rauch, A. and Frese, M. (2007), "Let's put the person back into entrepreneurship research: a meta-analysis on the relationship between business owners' personality traits, business creation, and success", *European Journal of Work and Organizational Psychology*, Vol. 16 No. 4, pp. 353-385.
- RIPESS (2015), "Global vision for a social solidarity economy: convergences and differences in concepts, definitions and frameworks", available at: www.ripest.org/what-is-sse/what-is-social-solidarity-economy/?lang=en (accessed: 18 October 2022).
- Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F.S., III, Lambin, E., Lenton, T.M., Scheffer, M., Folke, C., Schellnhuber, H.J., Nykvist, B., de Wit, C.A., Hughes, T., van der Leeuw, S., Rodhe, H., Sörlin, S., Snyder, P.K., Costanza, R., Svedin, U., Falkenmark, M., Karlberg, L., Corell, R.W., Fabry, V.J., Hansen, J., Walker, B., Liverman, D., Richardson, K., Crutzen, P. and Foley, J. (2009), "Planetary boundaries: exploring the safe operating space for humanity", *Ecology and Society*, Vol. 14 No. 2.
- Rovanto, S. and Finne, M. (2023), "What motivates entrepreneurs into circular economy action? Evidence from Japan and Finland", *Journal of Business Ethics*, Vol. 184 No. 1, pp. 71-91.
- Rydberg, T., Andersson, J., Gerhardsson, H., Kultje, E., Lewrén, A., Lindholm, C.L., Löfving, J. and Moberg, S. (2022), "Environmental and socio-economic benefits of circularity in real estate management", in *E3S Web of Conferences*, Vol. 349, p. 01010.
- Sarasvathy, S. (2001), "Causation and effectuation: toward a theoretical shift from economic inevitability to entrepreneurial contingency", *The Academy of Management Review*, Vol. 26 No. 2, pp. 243-263.
- Schatzki, T.R. (2005), "Peripheral vision: the sites of organizations", *Organization Studies*, Vol. 26 No. 3, pp. 465-484.
- Schroeder, P., Anggraeni, K. and Weber, U. (2018), "The relevance of circular economy practices to the sustainable development goals", *Journal of Industrial Ecology*, Vol. 23 No. 1, pp. 77-95.
- Schröder, P., Lemille, A. and Desmond, P. (2020), "Making the circular economy work for human development", *Resources, Conservation and Recycling*, Vol. 156, p. 104686.
- Sebhata, S.P. and Enquist, B. (2022), "Values and multi-stakeholder dialog for business transformation in light of the UN Sustainable Development Goals", *Journal of Business Ethics*, Vol. 180 No. 4, pp. 1059-1074.
- Segal, G., Borgia, D. and Schoenfeld, J. (2005), "The motivation to become an entrepreneur", *International Journal of Entrepreneurial Behavior and Research*, Vol. 11 No. 1, pp. 42-57.
- Skeja, A., Sadiku-Dushi, N. and Keskin, G. (2023), "Altruism and female entrepreneurship: evidence from the Turkish community in Kosovo", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 17 No. 6, pp. 1275-1292.
- Stahel, W.R. (2016), "The circular economy", *Nature*, Vol. 531 No. 7595, pp. 435-438.
- Staicu, D. and Pop, O. (2018), "Mapping the interactions between the stakeholders of the circular economy ecosystem applied to the textile and apparel sector in Romania, management and marketing", *Management and Marketing*, Vol. 13 No. 4, pp. 1190-1209, doi: [10.2478/mmcks-2018-0031](https://doi.org/10.2478/mmcks-2018-0031).

- Suchek, N., Ferreira, J.J. and Fernandes, P.O. (2022), "A review of entrepreneurship and circular economy research: state of the art and future directions", *Business Strategy and the Environment*, Vol. 31 No. 5, pp. 2256-2283.
- Villalba-Eguiluz, U., Egia-Olaizola, A. and Pérez de Mendiguren, J.C. (2020), "Convergences between the social and solidarity economy and sustainable development goals: case study in the Basque country", *Sustainability*, Vol. 12 No. 13, p. 5435.
- Wadhvani, R.D., Kirsch, D., Welter, F., Gartner, W.B. and Jones, G.G. (2020), "Context, time, and change: historical approaches to entrepreneurship research", *Strategic Entrepreneurship Journal*, Vol. 14 No. 1, pp. 3-19.
- Wamane, G.V. (2023), "A 'new deal' for a sustainable future: enhancing circular economy by employing ESG principles and biomimicry for efficiency", *Management of Environmental Quality: An International Journal*, doi: [10.1108/MEQ-07-2022-0189](https://doi.org/10.1108/MEQ-07-2022-0189).
- Wiengarten, F., Lo, C.K. and Lam, J.Y. (2017), "How does sustainability leadership affect firm performance? The choices associated with appointing a chief officer of corporate social responsibility", *Journal of Business Ethics*, Vol. 140 No. 3, pp. 477-493.
- Woodard, R. (2021), "Waste management in small and medium enterprises (SMEs): compliance with duty of care and implications for the circular economy", *Journal of Cleaner Production*, Vol. 278, p. 123770.
- World Commission on Environment and Development WCED (1987), "Our Common Future: Report of the World Commission on Environment and Development", A/42/427, Oslo.
- World Economic Forum (WEF) (2020) "Circular economy", available at: www.weforum.org/topics/circular-economy (accessed: 1 October 2022).
- Yin, R.K. (2014), *Case Study Research Design and Methods*, (5th ed.) Sage, Thousand Oaks, CA.

Further reading

- Amir, S., Salehi, N., Roci, M., Sweet, S. and Rashid, A. (2022), "Towards circular economy: a guiding framework for circular supply chain implementation", *Business Strategy and the Environment*, Vol. 32 No. 6, doi: [10.1002/bse.3264](https://doi.org/10.1002/bse.3264).
- Charmaz, K. and Belgrave, L. (2012), "Qualitative interviewing and grounded theory analysis", *The SAGE Handbook of Interview Research: The Complexity of the Craft*, Vol. 2, pp. 347-365.
- Jayawarna, D., Rouse, J. and Macpherson, A. (2014), "Life course pathways to business start-up", *Entrepreneurship and Regional Development*, Vol. 26 Nos 3/4, pp. 282-312.
- Krummeck, P., Dokur, Y.D., Braun, D., Kiemel, S. and Miehe, R. (2022), "Designing component interfaces for the circular economy—a case study for product-as-a-service business models in the automotive industry", *Sustainability*, Vol. 14 No. 21, p. 1385.
- Loscocco, K. and Bird, S. (2012), "Gendered paths: why women lag behind men in small business success", *Work and Occupations*, Vol. 39 No. 2, pp. 183-219.
- McMullen, J. and Dimov, D. (2013), "Time and the entrepreneurial journey: the problems and promise of studying entrepreneurship as a process", *Journal of Management Studies*, Vol. 50 No. 8, pp. 1481-1512.
- Miles, M.B., Huberman, A.M. and Saldana, J. (2013), *Qualitative Data Analysis*, Sage Publications, Thousand Oaks, CA.
- Muñoz-Torres, M.J., Fernández-Izquierdo, M.Á., Rivera-Lirio, J.M., Ferrero-Ferrero, I., Escrig-Olmedo, E., Gisbert-Navarro, J.V. and Marullo, M.C. (2018), "An assessment tool to integrate sustainability principles into the global supply chain", *Sustainability*, Vol. 10 No. 2, p. 535.
- Murdock, K.A. and Varnes, C.J. (2017), "Beyond effectuation: analysing the transformation of business ideas into ventures using actor-network theory", *International Journal of Entrepreneurial Behavior and Research*, Vol. 24 No. 1, pp. 256-272.

-
- Palmié, M., Huerzeler, P., Grichnik, D., Keupp, M.M. and Gassmann, O. (2019), "Some principles are more equal than others: promotion-versus prevention-focused effectuation principles and their disparate relationships with entrepreneurial orientation", *Strategic Entrepreneurship Journal*, Vol. 13 No. 1, pp. 93-117.
- Reckinger, R. (2018), "Social change for sustainable localised food sovereignty: convergence between prosumers and ethical entrepreneurs", *Sociologia Del Lavoro*, Vol. 152 No. 152, pp. 174-192.
- Rouse, J. and Jayawarna, D. (2011), "Structures of exclusion from enterprise finance", *Environment and Planning C: Government and Policy*, Vol. 29 No. 4, pp. 659-676.
- Sarasvathy, S. (2008), *Effectuation: Elements of Entrepreneurial Expertise (New Horizons in Entrepreneurship Series)*, Edward Elgar Publishing, Cheltenham, doi: [10.4337/9781848440197](https://doi.org/10.4337/9781848440197).
- Schmidt, C.V.H., Kindermann, B., Behlau, C.F. and Flatten, T.C. (2021), "Understanding the effect of market orientation on circular economy practices: the mediating role of closed-loop orientation in German SMEs", *Business Strategy and the Environment*, Vol. 30 No. 8, pp. 4171-4418.
- Schwanholz, J. and Leipold, S. (2020), "Sharing for a circular economy? An analysis of digital sharing platforms' principles and business models", *Journal of Cleaner Production*, Vol. 269, p. 122327.
- Smitskikh, K., Titova, N.Y. and Shumik, E.G. (2020), "The model of social entrepreneurship dynamic development in circular economy", *Revista Universidad y Sociedad*, Vol. 12 No. 5, pp. 248-253.

Supplementary material

The supplementary material for this article can be found online.

Corresponding author

Juan D. Borrero can be contacted at: jdiego@uhu.es